

## MEMORANDUM RECEIVED

TO:

Docket Control Center

2015 JAN 22 P 4: 39

FROM:

Steven M. Olea

Director

Utilities Division

Arizona Corporation Commission DOCKETED

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DOCKETED BY

DATE:

January 22, 2015

112. January 22, 201.

RE:

JOHNSON UTILITIES, L.L.C. - REQUEST FOR EXTENSION OF COMPLIANCE

ORIGINAL

DEADLINES (DOCKET NO. WS-02987A-06-0667 – DECISION NO. 70411)

In Decision No. 70411, dated July 3, 2008, the Arizona Corporation Commission ("ACC" or "Commission") approved the application of Johnson Utilities Company ("Johnson") for extension of the existing Certificate of Convenience and Necessity ("CC&N").

As part of Decision No. 70411, the Commission ordered the following:

- "...that Johnson shall file with Docket Control, as a compliance item in this docket, within two years of the effective date of this Decision, copies of the Approval to Construct issued by the Arizona Department of Environmental Quality [("ADEQ")] for the water and wastewater facilities needed for Phase 1 of each of the developments located within the requested extension areas."
- "...that this Decision shall not become effective until the first day of the month after Johnson Utilities, L.L.C., files in Docket Control documentation from Arizona Department of Environmental Quality that the Pecan Wastewater System is in full compliance with Arizona Department of Environmental Quality and Staff files confirmation of such compliance with Docket Control, and the current rate case filing is found to be sufficient."

Staff's August 6, 2012 confirmation filing on ADEQ compliance for the Pecan Wastewater system was the final requirement for Decision No. 70411 to become effective. The decision was effective on the first day of the following month, or September 1, 2012. The current due date for the Approval to Construct ("ATC") was therefore two years later on September 1, 2014.

On July 7, 2014, Johnson docketed a request for extension of time seeking approval of a two year extension for the provision of the required ATC relating to phase 1 development. The application states that:

"Market conditions have delayed the anticipated start of the developments by the developers; however, the developers still require service and have provided updated requests for service attached hereto as Attachment 1."

The referenced updated request for service letters were docketed by RMG Monterra South, L.L.C and Langley Riggins 600, LLC, the developers of Monterra South and Monterra North

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projects, respectively. Each company requests continued utility service from Johnson as a precursor and ultimate requirement to expected development.

Based on the application and all of the above, Staff does not object to the Company's request for further extension of time in this matter. Staff therefore recommends that the due date for provision of the Approval to Construct requirement be extended until September 1, 2016.

EGJ:BKB:vsc

Originator: Brian K. Bozzo

## SERVICE LIST FOR: JOHNSON UTILITIES, LLC. DOCKET NO. WS-02987A-06-0667

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